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COUNTY OF ALPINE
SINGLE AUDIT REPORT
JUNE 30, 2009

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COUNTY OF ALPINE

Single Audit Report
For the Year Ended June 30, 2009

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GALLINA_{LLP}

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

Board of Supervisors
County of Alpine
Markleeville, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Alpine (County), as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 12, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Board of Supervisors
County of Alpine

Internal Control Over Financial Reporting (continued)

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of the County of Alpine in a separate letter dated February 12, 2010.

This report is intended solely for the information and use of the audit committee, management, Board of Supervisors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Roseville, California
February 12, 2010



GALLINA^{LLP}

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Supervisors
County of Alpine
Markleeville, California

Compliance

We have audited the compliance of the County of Alpine, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The County of Alpine's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County of Alpine's management. Our responsibility is to express an opinion on the County of Alpine's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Alpine's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County of Alpine's compliance with those requirements.

In our opinion, the County of Alpine complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 09-SA-1, 09-SA-2, 09-SA-3 and 09-SA-4.

Board of Supervisors
County of Alpine

Internal Control Over Compliance

The management of the County of Alpine is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County of Alpine's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Alpine's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questions costs as items 09-SA-1, 09-SA-2, 09-SA-3 and 09-SA-4 to be significant deficiencies.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider items 09-SA-2, 09-SA-3 and 09-SA-4 to be material weaknesses.

The County of Alpine's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County of Alpine's responses and, accordingly, we express no opinion on them.

Board of Supervisors
County of Alpine

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the year ended June 30, 2009, and have issued our report thereon dated February 12, 2010. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Supplementary Schedule of the California Emergency Management Agency Grant Expenditures, on page 22, has not been subjected to auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the audit committee, management, Board of Supervisors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Roseville, California
February 12, 2010

COUNTY OF ALPINE

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through State Department of Social Services:			
Supplemental Nutrition Assistance Program	10.551*	--	\$ 142,874
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561*	--	<u>45,224</u>
Subtotal			<u>188,098</u>
Passed through State Controller's Office:			
Schools and Roads – Grants to States	10.665*	--	<u>545,640</u>
Total U.S. Department of Agriculture			<u>\$ 733,738</u>
<u>U.S. Department of the Interior</u>			
Direct Program:			
Payments in Lieu of Taxes	15.226	--	<u>188,315</u>
Total U.S. Department of the Interior			<u>\$ 188,315</u>
<u>U.S. Department of Justice</u>			
Passed through California Emergency Management Agency:			
Victim Witness Program	16.575	VW08090020	17,826
Anti-Drug Abuse Grant	16.738	DC08190020	<u>97,757</u>
Total U.S. Department of Justice			<u>\$ 115,583</u>
<u>U.S. Department of Transportation</u>			
Passed through State Department of Transportation:			
Federal Transit Administration Section 5305	20.507	--	44,265
Federal Transit Administration Section 5311	20.507	10-5931R	<u>28,614</u>
Total U.S. Department of Transportation			<u>\$ 72,879</u>

COUNTY OF ALPINE

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2009

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements/ Expenditures
<u>U.S. Department of Health and Human Services</u>			
Passed through State Department of Social Services:			
Family Preservation and Support Services	93.556	--	\$ 339
Temporary Assistance for Needy Families	93.558*	--	112,660
Child Welfare Services – State Grants	93.645	--	2,889
Foster Care – Title IV-E	93.658*	--	144,983
Adoption Assistance	93.659	--	27,194
In Home Supportive Services	93.667	--	61,020
Subtotal			<u>349,085</u>
Passed through State Department of Health Care Services:			
Medical Assistance Programs	93.778	--	55,142
Maternal and Child Health Services	93.994	--	125,219
Children's Medical Services	93.994	--	40,553
Subtotal			<u>220,914</u>
Passed through State Department of Public Health:			
Public Health Emergency Preparedness Program	93.069	--	144,182
Hospital Preparedness Program	93.889	--	147,966
Subtotal			<u>292,148</u>
Passed through State Department of Mental Health:			
Substance Abuse and Mental Health Services Administration (SAMSHA)	93.958	--	<u>5,115</u>
Passed through State Department of Alcohol and Drug Abuse Programs:			
Block Grants for Prevention and Treatment of Substance Abuse (SAPT)	93.959*	--	<u>354,496</u>
Total U.S. Department of Health and Human Services			<u>\$ 1,221,758</u>

COUNTY OF ALPINE

Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2009

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Disbursements/ Expenditures</u>
<u>U.S. Department of Homeland Security</u>			
Passed through State Department of Homeland Security:			
FY 07 Homeland Security Grant Program - SHSP	97.073	2007-0008	\$ 20,332
FY 08 Homeland Security Grant Program - LETPP	97.074	2008-0006	3,997
Subtotal			<u>24,329</u>
Passed through California Emergency Management Agency:			
Emergency Management Planning Grant FY07	97.042	2008-9	24,149
		EMW-2006-FF-	
Staffing for Adequate Fire and Emergency Response	97.083	0473	19,107
Subtotal			<u>43,256</u>
Total U.S. Department of Homeland Security			<u>\$ 67,585</u>
Total Expenditures of Federal Awards			<u>\$ 2,399,858</u>

COUNTY OF ALPINE

Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2009

Note 1: **Reporting Entity**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Alpine. The County of Alpine's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

Note 2: **Basis of Accounting**

The accompanying Schedule of Expenditures of Federal Awards is prepared on an accrual basis. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Note 3: **Relationship to Financial Statements**

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General and Special Revenue funds.

Note 4: **Pass-Through Entities' Identifying Number**

When federal awards were received from a pass-through entity; the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity.

COUNTY OF ALPINE

Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2009

Note 5: **Subrecipients**

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County of Alpine provided federal awards to subrecipients as follows:

<u>Federal CFDA</u>	<u>Program Title</u>	<u>Amount</u>
93.958	Substance Abuse and Mental Health Services Administration (SAMSHA)	\$ 5,115
93.959	Block Grants for Prevention and Treatment of Substance Abuse (SAPT)	<u>216,749</u>
	Total	<u>\$ 221,864</u>

Note 6: **Program Clusters**

Federal programs, which must be audited together as a program cluster, include the following:

<u>Federal CFDA</u>	<u>Program Title</u>	<u>Federal Expenditures</u>
<u>Supplemental Nutrition Assistance Program (SNAP) Cluster:</u>		
10.551	Supplemental Nutrition Assistance Program	\$ 142,874
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	<u>45,224</u>
	TOTAL	<u>\$ 188,098</u>

Homeland Security Cluster:

97.073	FY 07 Homeland Security Grant Program – SHSP	\$ 20,332
97.074	FY 08 Homeland Security Grant Program – LETPP	<u>3,997</u>
	TOTAL	<u>\$ 24,329</u>

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

Section 1

Financial Statements

Summary of Auditor's Results

- | | |
|--|---------------|
| 1. Type of auditor's report issued: | Unqualified |
| 2. Internal controls over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|-------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 2. Type of auditor's report issued on compliance for major programs: | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)? | Yes |
| 4. Identification of major programs: | |

CFDA Number

SNAP Cluster

10.551	Supplemental Nutrition Assistance Program
10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program
10.665	Schools and Roads – Grants to States
93.558	Temporary Assistance for Needy Families
93.658	Foster Care – Title IV-E
93.959	Block Grants for Prevention and Treatment of Substance Abuse (SAPT)

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

Section 1 (continued)

Federal Awards (continued)

Summary of Auditor's Results

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs? | \$300,000 |
| 6. Auditee qualified as a low-risk auditee under OMB Circular A-133, Section 530? | No |

Section 2

Financial Statement Findings

None Reported

Section 3

Federal Award Findings and Questioned Costs

CFDA 10.551 and 10.561	Finding 09-SA-1
CFDA 10.551 and 10.561	Finding 09-SA-2
CFDA 93.558	Finding 09-SA-3
CFDA 93.558	Finding 09-SA-4

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

Finding/Program	Findings/Noncompliance
Finding 09-SA-1	<i>Federal Grantor: U.S. Department of Agriculture</i>
	<i>Pass-Through Entity: State Department of Social Services</i>
Supplemental	<i>Compliance Requirement: Special Tests</i>
Nutrition	<i>Reporting Requirement: Significant Deficiency and</i>
Assistance	<i>Material Noncompliance in Relation to a</i>
Program and State	<i>Compliance Supplement Audit Objective</i>
Administrative	
Matching Grants	<u>Criteria</u>
for the	
Supplemental	7 CFR 274.12(j) requires that States that use EBT must have systems in
Nutrition	place to reconcile all of the funds entering into, exiting from, and
Assistance	remaining in the system each day. This includes a reconciliation of the
Program	State's issuance files of postings to recipient accounts with the EBT
CFDA	contractor. In complying with the federal requirements, the California
10.551 & 10.561	Department of Social Services Manual (California-DSS-Manual-EBT),
	§16-410.1 "Food Stamp and Cash Reconciliation Process" requires that
Award No. n/a	"the county shall on a daily basis reconcile benefits entering into the
Year: 2008/2009	EBT system with the county's eligibility system." As well, §16-
	410.1.14 provides that: "within an EBT system the county shall
	reconcile between the three interrelated but independent accounting
	systems: .141 the County's eligibility system that is issuing benefits
	electronically and creating obligations; .142 The EBT Contractor's
	EBT system that is managing the recipient benefits accounts and
	outstanding obligations; .142 The funding system that is managing the
	funds required for settling the outstanding obligations.
	Further, 7 CFR § 274.12 (j)(1) requires that reconciliations be
	conducted and records kept documenting the various reconciliation
	procedures including, but not limited to, the following: "(v)
	reconciliation of total funds entered into . . . the system each day." The
	County eligibility system controls funds entering into the Food Stamp
	EBT system.
	<u>Condition</u>
	We inquired about the daily reconciliations between the EBT system
	and the county's eligibility system (ISAWS) and were informed that the
	daily reconciliations were not being done and that the County was not
	aware of this requirement.

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

<u>Finding/Program</u>	<u>Findings/Noncompliance</u>
Finding 09-SA-1 (continued)	<u>Questioned Costs</u> No costs are questioned.
Supplemental Nutrition Assistance Program and State Administrative Matching Grants for the Supplemental Nutrition Assistance Program CFDA 10.551 & 10.561	<u>Perspective</u> Our review of monthly DFA 885 reports and supporting documentation did confirm that reconciliations were being performed on a monthly basis in the process of completing the required reports. <u>Effect of Condition</u> Not performing the reconciliations as required increases the chance of an error or irregularity going undetected. <u>Recommendation</u> We recommend that the county perform and document its daily EBT Food Stamp reconciliations. The county might consider using a spreadsheet which cumulatively shows the reconciliations, along with maintaining the backup on reconciling items for at least one year. <u>Corrective Action Plan</u> The daily reconciliation between the Electronic Benefit Transfer (EBT) system and the Integrated State Automated Welfare System (ISWAS) has been corrected by developing a spreadsheet which reconciles the benefits from each system and the County's accounting system. The contact person for this corrective action plan is the Director. The Director can be reached at 530.694.2235.

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

Finding/Program	Findings/Noncompliance
Finding 09-SA-2	<i>Federal Grantor: U.S. Department of Agriculture</i>
	<i>Pass-Through Entity: State Department of Social Services</i>
Supplemental	<i>Compliance Requirement: Special Tests</i>
Nutrition	<i>Reporting Requirement: Material Weakness; Material</i>
Assistance	<i>Noncompliance in Relation to a</i>
Program and State	<i>Compliance Supplement Audit Objective</i>
Administrative	
Matching Grants	<u>Criteria</u>
for the	The County is required to maintain adequate security over, and
Supplemental	documentation/records for, Authorization to Participate (ATP) cards,
Nutrition	other documents authorizing issuance, EBT cards (7 CFR section
Assistance	274.12(h)(3)), and the food stamp coupons themselves to prevent:
Program	coupon theft, embezzlement, loss, damage, destruction; unauthorized
CFDA	transfer, negotiation, or use of coupons; and alteration or counterfeiting
10.551 & 10.561	of coupons and other documents authorizing issuance (7 CFR sections
	274.7(b) and 274.11(c)).
Award No. n/a	<u>Condition</u>
Year: 2008/2009	During our walk-through we noted that the Eligibility Worker had
	access to all of the EBT systems, was actually interviewing applicants
	for SNAP and placing their benefits into the system. The Eligibility
	Worker would then cross the hall into the office where the embossing
	machine and the key pad (used to assign pin codes to EBT cards with
	benefits) were located. At this time the Eligibility Worker would
	emboss the EBT card with benefits and assign the pin code to the EBT
	card or assist the applicant in doing so.
	<u>Questioned Costs</u>
	No costs are questioned.
	<u>Perspective</u>
	We do not believe any further information would provide better
	perspective.

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

<u>Finding/Program</u>	<u>Findings/Noncompliance</u>
Finding 09-SA-2 (continued)	<u>Effect of Condition</u>
Supplemental Nutrition Assistance Program and State Administrative Matching Grants for the Supplemental Nutrition Assistance Program CFDA 10.551 & 10.561	Not having proper segregation of duties between the individual who interviews the applicants and places their benefits into the system and the individual who embosses the EBT cards and assists applicants with assigning a pin code to their EBT card increases the likelihood that fraud could occur.
	<u>Recommendation</u>
	We recommend that the county have one individual who interviews the applicants and places their benefits into the system and another employee who embosses the EBT cards and assists the applicants with assigning a pin code to their EBT card.
	<u>Corrective Action Plan</u>
	The County has taken the recommendation to have the Integrated Caseworker conduct the interviews and issue benefits. The Office Assistant embosses the EBT card and assigns a pin number.
	The contact person for this corrective action plan is the Director. The Director can be reached at 530.694.2235.

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

<u>Finding/Program</u>	<u>Findings/Noncompliance</u>
Finding 09-SA-3	<i>Federal Grantor: U.S. Department of Health and Human Services</i>
Temporary Assistance for Needy Families CFDA 93.558	<i>Pass-Through Entity: State Department of Social Services</i>
	<i>Compliance Requirement: Eligibility/Special Tests (IEVS)</i>
	<i>Reporting Requirement: Material Weakness; Material Noncompliance In Relation to a Compliance Supplement Audit Objective</i>
Award No. n/a	
Year: 2008/2009	<u>Criteria</u>

As required by § 1137 of the Social Security Act, income and benefit information from the Income Eligibility and Verification System (IEVS) database must be requested and used when making eligibility determinations. The County must review and compare the information obtained from IEVS against information contained in the case record to determine whether it affects the individual's eligibility or level of assistance, benefits or services.

Condition

We tested sixteen case files and noted that four case files had current IEVS but they had not been signed and dated by the Eligibility Worker and eight case files did not have any current IEVS documents at all.

Questioned Costs

No costs are questioned.

Perspective

We noted that the IEVS were either not current or they were current but had not been signed and dated by the Eligibility Worker for eighteen individuals. We assumed an average number of individuals requiring an IEVS per case was 3.5. That means we tested for fifty-six IEVS with eighteen IEVS not current or not signed and dated. The exception rate for the sample was $18 / 56 = 32.15\%$.

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

<u>Finding/Program</u>	<u>Findings/Noncompliance</u>
Finding 09-SA-3 (continued)	<u>Effect of Condition</u> The IEVS system is an elaborate, federally-mandated system which compiles government information for the purpose of tracking federal program eligibility data. Not requesting and using IEVS in eligibility determination can result in individuals receiving benefits to which they are not entitled. Not signing the IEVS might indicate the review was not done.
Temporary Assistance for Needy Families (TANF) CFDA 93.558	<u>Recommendation</u> We recommend that the Department review this omission to sign all IEVS after review when no discrepancies are noted. We recommend that the Department attempt to determine why the current system of controls failed to prevent these exceptions and that the Department establish and communicate a policy designed to ensure that IEVS information is requested, received, and reviewed and that this review is documented in each case. <u>Corrective Action Plan</u> The County has hired a new Integrated Caseworker. The employee is aware of the federally-mandated system and the requirements to have current IEVS in each case file and signed and dated by the Caseworker. The contact person for this corrective action plan is the Director. The Director can be reached at 530.694.2235.

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

<u>Finding/Program</u>	<u>Findings/Noncompliance</u>
Finding 09-SA-4	<i>Federal Grantor: U.S. Department of Health and Human Services</i>
Temporary	<i>Pass-Through Entity: State Department of Social Services</i>
Assistance for	<i>Compliance Requirement: Eligibility</i>
Needy Families	<i>Reportable Requirement: Material Weakness; Material Non-</i>
CFDA 93.558	<i>Compliance in Relation to a Compliance Supplement Audit Objective</i>
Award Nos. n/a	
Year: 2008-2009	<u>Criteria</u>
	45 CFR § 260-265 sets forth various eligibility requirements for families receiving assistance payments under the Temporary Assistance for Needy Families (TANF) program. These requirements are also discussed in the TANF state plan. To document compliance with these complex eligibility procedures, counties are required, under the California Department of Social Services Manual of Policies and Procedures § 48-001.01, et seq., to maintain a file for each applicant and recipient of aid under the program.
	<u>Condition</u>
	Of the twenty-nine cases selected for audit, the County was unable to provide the case file for one of the cases.
	<u>Questioned Costs</u>
	No costs are questioned.
	<u>Perspective</u>
	We do not believe any further information would assist in providing proper perspective.
	<u>Effect of Condition</u>
	Eligibility staff making decisions without a paper case file would be acting on incomplete or perhaps inaccurate information, which could lead to erroneous eligibility decisions. Without the appropriate documentation on file, even correct eligibility decisions become difficult for the County to substantiate.

COUNTY OF ALPINE

Schedule of Findings and Questioned Costs For the Year Ended June 30, 2009

Finding/Program	Findings/Noncompliance
Finding 09-SA-4 (continued)	<u>Recommendation</u>
Temporary Assistance for Needy Families CFDA 93.558	<p>We recommend that the County review this instance of a missing case file, determine what may have led to its disappearance, and implement any necessary procedures to ensure documents are well organized and safeguarded. Such procedures may include using sign-out cards to be used by anyone removing a paper file from the file room and to immediately initiate an investigation when someone notices a file is missing.</p>
	<u>Corrective Action Plan</u>
	<p>The County has hired a new Integrated Caseworker and has taken the recommendation from this finding and established a sign out sheet for all case files. The Integrated Caseworker maintains all case files for Public Assistance programs.</p>
	<p>The contact person for this corrective action plan is the Director. The Director can be reached at 530.694.2235.</p>

COUNTY OF ALPINE

Summary Schedule of Prior Audit Findings For the Year Ended June 30, 2009

Audit Reference Number	Status of Prior Year Audit Findings
Finding 07-SA-2	<u>Recommendation</u> We recommend that the County review all expenditures reported on the SEFA for accuracy and compare what is recorded in the general ledger. We also recommend that the County have more than one person review the SEFA to help ensure that all programs are reported prior to the first day of the audit. <u>Status</u> Implemented.
Finding 08-SA-1	<u>Recommendation</u> We recommend that the Department review this omission to sign all IEVS after review when no discrepancies are noted. We recommend that the Department attempt to determine why the current system of controls failed to prevent these exceptions and that the Department establish and communicate a policy designed to ensure that IEVS information is requested, received, and reviewed and that this review is documented in each case. <u>Status</u> Not Implemented. This finding is renumbered to 09-SA-3 because we had the same finding for the current year audit as well.

**SUPPLEMENTARY SCHEDULE
OF
THE CALIFORNIA EMERGENCY
MANAGEMENT AGENCY GRANTS EXPENDITURES**

COUNTY OF ALPINE

Supplementary Schedule of the California Emergency Management Agency Grants Expenditures For the Year Ended June 30, 2009

California Emergency Management Agency Grants

The following represents expenditures for California Emergency Management Agency (Cal EMA) programs for the year ended June 30, 2009. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2008	For the Year Ended June 30, 2009	Cumulative As of June 30, 2009	Federal Share	State Share	County Share
<u>VW08090020 - Victim Witness Program</u>						
Personal services	\$ --	\$ 26,675	\$ 26,675	\$ 17,826	\$ 8,849	\$ --
Operating expenses	--	10,642	10,642	--	10,642	--
Equipment	--	--	--	--	--	--
Totals	<u>\$ --</u>	<u>\$ 37,317</u>	<u>\$ 37,317</u>	<u>\$ 17,826</u>	<u>\$ 19,491</u>	<u>\$ --</u>
<u>VP08090020 - Vertical Prosecution</u>						
Personal services	\$ --	\$ 7,288	\$ 7,288	\$ --	\$ 7,288	\$ --
Operating expenses	--	25,280	25,280	--	25,280	--
Equipment	--	--	--	--	--	--
Totals	<u>\$ --</u>	<u>\$ 32,568</u>	<u>\$ 32,568</u>	<u>\$ --</u>	<u>\$ 32,568</u>	<u>\$ --</u>
<u>DC08190020 - Anti-Drug Abuse Grant</u>						
Personal services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Operating expenses	--	83,877	83,877	83,877	--	--
Equipment	--	13,880	13,880	13,880	--	--
Totals	<u>\$ --</u>	<u>\$ 97,757</u>	<u>\$ 97,757</u>	<u>\$ 97,757</u>	<u>\$ --</u>	<u>\$ --</u>